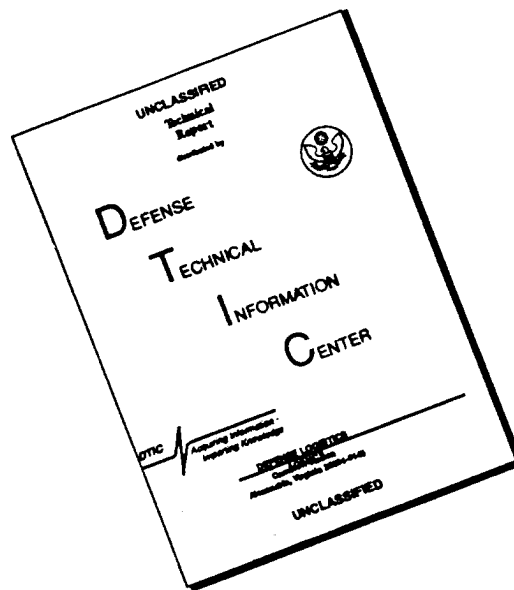


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PYONGYANG'S POLITICAL AND ECONOMIC INVESTMENT IN THE 1988 OLYMPICS

*A Report Prepared under an Interagency Agreement
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August 1987

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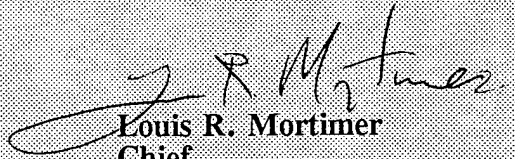
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PREFACE

This study is the second in a series of research comments on North Korean propaganda. It is based on samplings of North Korea press and media coverage in the Foreign Broadcast Information Service, Daily Report/East Asia; Joint Publications Research Service, Korean Affairs Report; BBC, Summary of World Broadcasts; and other open sources. Information available as of 1 August 1987 was used in compiling this report.

DEFENSE RESEARCH COMMENT

Pyongyang's Political and Economic Investment in the 1988 Olympics

Construction of major athletic and housing facilities in Pyongyang's Mangyongdae district and elsewhere in the city received increasing political and economic attention in North Korea in the first half of 1987. North Korean internal and external publicity concerning this construction project indicates the seriousness of Pyongyang's desire to cohost the 1988 Olympic Games with Seoul. Political obstacles inhibit, but may not completely rule out, an accord with Seoul on cohosting the games. Even if a cohosting agreement can be reached under the auspices of the International Olympic Committee (IOC), North Korean participation in the Seoul games may be minimal. If no cohosting agreement is reached, Pyongyang will still reap considerable military, propaganda, and commercial value from its new facilities.

Construction for Olympic Games in Pyongyang

Since January 1986 North Korea has been committed to the construction of large athletic and tourist facilities that could be used if Pyongyang's bid to cohost the 1988 Olympics should be successful. The facilities include a sports village complex with a stadium, nine gymnasiums, and hotels in Angol, near Mangyongdae, west of Pyongyang. Other major projects include stadiums and theaters on Yanggak and Nungna Islands in the Taedong River south and east of the city, and a major civilian housing complex and road construction at Kwangbok Street between Pyongyang and the Mangyongdae area.

Economic Resources Dedicated

Some 30,000 Korean People's Army (KPA) soldier-workers were assigned to the Kwangbok-Angol project--which had been making only slow progress since April 1986--in September 1986, following completion of the Sohae (Namp'o) Lock Gate project. Although it is unlikely that the number of civilian workers is as high as the figure of 90,000 cited by China's Xinhua News Agency, civilian labor brigades from every province in North Korea reportedly are taking part in construction. North Korean media have mentioned new participating construction units every month from February through June. Steel and cement from designated plants have been dedicated to these projects, and North Korean domestic media state that Kim Chong-il, the son and political heir of President Kim Il-song, has personally assured

an adequate supply of materials for rapid and successful completion of the projects.

Political Investment

The political profile of the Angol and Kwangbok Street projects have steadily increased since late 1986. Both Kim Il-song and Kim Chong-il increasingly have been associated with the planning and sponsorship of the projects. In April 1987 the projects were mentioned in a major speech to the Supreme People's Assembly in connection with long-term construction such as the hydropower facility at Taech'on and the Sunch'on Vinalon complex.

Beginning early in 1987, North Korean domestic media steadily intensified their exhortation and moral support for construction at the Kwangbok and Angol sites. Work on the projects began to take the form of a "speed battle" campaign, with units singled out for praise for exceeding quotas and fulfilling deadlines ahead of schedule. At torchlit rallies of workers, army laborers, and Pyongyang citizen laborers in January and February, government and party representatives called for increased efforts, and all participants in the February meeting "pledged their loyalty to dear Comrade Kim Chong-il at the call of a chanter." In April 1987, an editorial in the Korean Worker's Party newspaper, Nodong Sinmun, stated that Kwangbok Street construction "must be completed at the earliest possible date," and spoke of "concentrating the efforts of the entire party, the entire country, and all the people" on the project.

There is implicit political significance in the location of these construction projects. Visitors to the Angol district via Kwangbok Street will not only be exposed to Pyongyang's newest and most impressive buildings and residential area, but will be close to two of North Korea's most important political shrines--Mangyongdae, the birthplace of Kim Il-song, and Ch'ilgol, the childhood home of Kim Il-song's mother.

For Foreign Consumption

Since April 1986, North Korea's overseas broadcasts and foreign language publications have stated that the Angol complex will qualify North Korea to cohost the 1988 Olympic Games. An August 1986 article on Angol stated that "Pyongyang is a good place which has everything needed to host the Olympic Games." In February 1987 Kim Il-song told an interviewer of Cuba's Prensa Latina News agency that both Kwangbok Street and the Angol sports facilities were part of the necessary preparations for "holding of Olympic Games in Pyongyang as a result of good progress in the negotiations" with South Korea.

and the International Olympic Committee (IOC). If cohosting were agreed upon, Kim promised "excellent facilities for all events to be held in Pyongyang." The Angol facilities and other newly constructed projects were among those shown to an IOC delegation in late May 1987.

Domestic Coverage

North Korean media waited more than 1 year to tell domestic audiences that the Angol and Kwangbok Street facilities might support Pyongyang's participation in the XXIVth Olympiad. Through March 1987, domestic publications and broadcasts consistently identified these projects and others, such as the Youth Theater and the Grand East Pyongyang Theater, with Pyongyang's plan to host the World Festival of Youth and Students, a biennial Eastern bloc event planned for 1989.

On 4 April 1987, North Koreans heard Pyongyang domestic radio present the text of Kim Il-song's February Prensa Latina interview for the first time. Thereafter Pyongyang domestic media, including both radio and the Nodong Sinmun have continued to link the facilities with cohosting the Olympics, as well as with the World Youth and Student Festival.

Negotiations Stalled

Pyongyang has remained rigid in its negotiations with Seoul and with the (IOC). In 1986 North Korea proposed proportional representation based on population, in which Seoul would retain some 15 of 23 major events and Pyongyang would host 8 events. In further negotiations on 14 and 15 July 1987 in Lausanne, the IOC and South Korea offered women's volleyball and handball in addition to previously-offered table tennis and archery events, and agreed that Pyongyang could host the entire 100-km men's road cycle race as well as one of four preliminary soccer rounds. A North Korean official rejected this offer in a press conference in Beijing on 27 July, and repeated the demand for eight full events (including all of the soccer competition), a name change in the Olympics, and a separate North Korean olympic organizing committee.

Pyongyang Facilities Questioned

Observers in South Korea and elsewhere have questioned North Korea's ability to provide adequate infrastructural support--hotel and dining accommodations, telecommunications facilities, and transportation--for Olympic teams and the accompanying spectators and media representatives. North Korea claims that Pyongyang is adequate in all these areas, but it is likely that the country would encounter problems in handling the 25,000 to 30,000 visitors frequently mentioned by the

South Korean side. North Korean sources occasionally have enumerated only around 3,000 hotel beds in the Pyongyang area, for example. Although this figure should expand to about 5,000 beds when the hotels associated with Kwangbok Street and the Angol district are completed, it is argued that the lack of more extensive accommodations could pose a problem, even if some visitors were taken on side-trips to resort areas like Myohyangsan immediately following the games.

Pyongyang's security preoccupations sometimes also are cited as an obstacle to North Korea's cohosting the Olympic Games. Bus travel from Seoul to Pyongyang could take 4 hours or more if security screening took place at the border.

Telecommunications facilities, it may be argued, may also be inadequate to support press coverage of games held in Pyongyang. North Korea has one Intelsat ground station, in contrast to four ground stations in South Korea.

Solving the Infrastructural Problems

Although serious problems with housekeeping, catering, transportation, local communications, and reservation services are likely to remain just beneath the surface, North Korea's aggressive construction program probably will enable Pyongyang to book as many as 10,000 overnight visitors at a time by the summer of 1988. In June 1987, Pyongyang North Korean officials told a Yugoslavian news agency that 120,000 athletes, trainers, and Olympic staff could be accommodated in newly constructed apartments. Although this estimate may be overly optimistic, some of the hotel room shortfall could be made up by allocating existing civilian housing--including units of the new Kwangbok Street apartment complexes--to visitors. When the interior finishing work on these units is completed, these vacant units--slated eventually for occupancy by top government and party officials--will be Pyongyang's finest and most up-to-date housing. Pyongyang's restaurants for foreigners are underutilized and could accommodate large crowds.

North Korean international telecommunications facilities are more than adequate for media coverage of Olympic events. Pyongyang's single ground station, with its 30- or 32-meter high-capacity antenna, offers a modern international telecommunications link with France, West Germany, Hong Kong, and Japan through the Intelsat Indian Ocean satellite. A microwave tower in central Pyongyang provides adequate linkages to the ground station. Although hardware is adequate, management inexperience--for example, in placing large numbers of visitor's international phone calls--is likely to cause problems.

Pyongyang has demonstrated that it may relax its security concerns when the anticipated political gain is sufficiently great. For example, in April and May 1979 Pyongyang hosted an international table tennis tournament and admitted foreigners, including a US team and "observers," on a "no questions asked" basis. In 1988, physical security for enroute transportation, sightseeing, and the games themselves would also be simplified, because genuine limitations on in-country civil transportation capability would limit travel of outsiders. Tourist travel points and patterns also are well established in what North Korea views as its sightseeing showcase. Because the terrorist threat to North Korea is virtually nil, border-control security, at least for non-Korean visitors, is likely to be less stringent than that enforced by South Korea during the games.

Outlook

The major economic and political investment Pyongyang has made in cohosting the Olympic Games may lead it eventually to settle for hosting fewer than eight events. If North Korea agrees to host any Olympic events, it will try to accommodate at least 10,000 overnight visitors at a time, diverting civilian housing if necessary.

North Korea's participation in events in Seoul may be minimal, even if it agrees to host some Olympic events in Pyongyang. North Korea has consistently argued that Seoul is not a suitable place to hold the Olympics because of its political system. Of even greater concern in Pyongyang may be the problems likely to result from exposure of North Korean athletes or spectators to the unexpectedly lavish sights of Seoul or the risks of defection. If North Korea does send teams and spectators to Seoul, it likely will keep them under very tight security.

The major obstacles to Pyongyang's cohosting the games are political, and include South Korean reluctance to share a major public relations and economic bonanza. Naming the games will be another obstacle to agreement. North Korea does not want to cohost the "1988 Seoul Olympics," which could make Pyongyang appear to be a provincial city of South Korea. It will insist upon alternate terminology--such as "1988 Olympics/Pyongyang"--

that Seoul is almost certain to reject. Pyongyang would also want to replace the "Hodori" tiger cub logo of the Seoul Olympics with a logo of its own design--perhaps one like the dove logo it has already chosen for the 13th World Youth and Student Festival. Pyongyang's five-petaled "flower" design for that event would require only minor changes to appear as the five Olympic rings. Other intractable issues could include the location and conduct of opening and closing ceremonies or award ceremonies--which require national flags and anthems.



Probable design for
Pyongyang Olympics logo.

Source: Pyongyang Times,
7 March 1987

The Pyongyang facilities mentioned will have considerable value even if North Korea fails in its bid to cohost the 1988 Olympics. Kwangbok Street will eventually serve as a showcase housing area and provide improved accommodations for high-level officials. Together with a network of related bridges and highway overpasses, Kwangbok Street will have considerable military importance, directly linking the military districts west of Pyongyang with similar major arteries in the central city. New hotels and the Angol complex will help North Korea to host the World Youth and Student Festival in 1989, and continue to expand its tourism industry. Should North Korea's cohosting campaign fail, Pyongyang may derive considerable domestic propaganda value by juxtaposing the heroic efforts of "the whole nation, the whole party, and all the people" against Seoul's obstinacy.